Imposition of Capital Gains tax on circle rates

†1524. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether Capital Gains Tax has now been imposed on circle rates whereas earlier it was imposed at the rate of 20 per cent of sale price;

(b) whether it is a fact that in many districts, circle rates are increased by District Magistrates on arbitrary basis;

(c) whether many taxpayers have to pay tax from their pocket after the regime of imposition of Capital Gains Tax on circle rate has come into force;

(d) whether his Ministry would switch over to the old regime of Capital Gains Tax being imposed on sale price; and

(e) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) With a view to curbing evasion of capital gains tax from sale of immovable properties by not fully disclosing the sale consideration, law was amended by the Finance Act, 2002 so as to provide that in a case where the sale consideration of an immovable property declared by the seller is less than the value adopted by Stamp Valuation Authority for the purpose of payment of stamp duty, such value shall be deemed to be the sale consideration.

(b) and (c) In a case where the taxpayer is of the view that the fair market value of the property is less than the value adopted by Stamp Valuation Authority, a safeguard has been provided in the law to mitigate the hardship. In such situations, the Assessing Officer may refer the valuation of the property to the Valuation Officer.

(d) In view of reply to parts (b) & (c), there is no need to switch over to the old regime.

(e) Does not arise, in view of reply to part (d).

Per capita income of the country

† 1525. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) the latest position of per capita income at National level and separately in all the States and Union Territories in the country including Mumbai, Delhi, Chennai, Bangaluru and Kolkata;

(b) the rise in per capita income in the Tenth Five Year Plan in comparison to the Ninth Five Year Plan ; and

(c) the target and approach to raise per capita income in the Eleventh Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Data for per capita income at constant 1999-2000 prices, for States and Union Territories and National level, as provided by the Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation are given in the statement *{See* below). The per capita income data for Mumbai, Chennai, Bangaluru and Kolkata are not released by CSO.

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†Original notice of the question was received in Hindi.